

NOTIFICATION OF MAJOR INTERESTS IN SHARESH AUG 24 P 12: 34

1. Name of company

CFFICE OF INTERNATIONAL CORPORATE FINANCE

BAE SYSTEMS plc

2. Name of shareholder having a major interest

SUPPL

The Capital Group Companies, Inc. on behalf of its affiliates, including Capital Guardian Trust Company, Capital International Limited, Capital International S.A., and Capital International Inc.

3. Please state whether notification indicates that it is in respect of holding of the shareholder named in 2 above or in respect of a non-beneficial interest or in the case of an individual holder if it is a holding of that person's spouse or children under the age of 18

Shareholder named in 2 above

4. Name of the registered holder(s) and, if more than one holder, the number of shares held by each of them

Capital Guardian Trust Company:	
State Street Nominees Ltd -	13,300,629
Bank of New York Nominees Ltd -	5,541,309
Northern Trust –	1,052,700
Chase Manhattan Bank Australia Limited -	23,700
Chase Nominees Ltd -	42,220,178
BT Globenet Nominees Ltd -	1,928,500
Midland Bank plc -	8,529,400
Cede & Co –	2,311,240
Deutsche Bank Mannheim -	6,800
Bankers Trust -	3,813,400
Barclays Bank -	251,200
Citibank London -	16,300
Royal Trust –	56,100
Brown Bros	223,000
Nortrust Nominees -	11,161,971
MSS Nominees Limited –	203,300
State Street Bank & Trust Co -	367,300
Citibank –	20,600
Citibank NA –	141,100
Deutsche Bank AG -	11,300
HSBC Bank plc -	3,900
Mellon Bank N.A	564,800
ROY Nominees Limited -	184,600
Mellon Nominees (UK) Limited –	2,951,273
HSBC -	144,400

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J P Morgan Chase Bank -	3,452,200
Capital International Limited - State Street Nominees Ltd - Bank of New York Nominees - Northern Trust - Chase Nominees Ltd - Midland Bank plc - Citibank London - Morgan Guaranty - Nortrust Nominees - MSS Nominees Limited - State Street Bank & Trust Co - Lloyds Bank - Citibank — Citibank NA— Deutsche Bank AG - HSBC Bank plc - Mellon Bank N.A Northern Trust AVFC - KAS UK — Mellon Nominees (UK) Limited - Bank One London - Clydesdale Bank plc — J P Morgan Chase Bank — Raiffeisen Zentral Bank — Fortis Bank — Metzler Seel Sohn & Co —	697,700 10,326,095 5,540,330 5,824,400 409,600 31,234 703,300 8,453,900 99,200 3,880,831 47,500 15,600 674,600 535,100 2,195,500 300,500 793,000 59,700 82,700 416,500 61,400 42,900 717,624 32,000 36,300
Bayerische Hypo Und Vereinsbank AG - Capital International S.A.: Chase Nominees Ltd - Midland Bank plc - Barclays Bank - Brown Bros - State Street Bank & Trust Co - Lloyds Bank - Citibank NA - HSBC Bank plc -	59,700 3,113,349 596,900 488,000 137,100 102,600 34,500 9,300 337,600
Capital International, Inc: State Street Nominees Ltd – Bank of New York Nominees - Northern Trust – Chase Nominees Limited – Midland Bank plc - Bankers Trust – Brown Bros – Nortrust Nominees - State Street Bank & Trust Co –	4,452,100 843,300 46,500 3,126,100 472,100 20,400 333,400 335,300 188,200

Sumitomo Trust & Banking -	89,500
Citibank –	24,100
Citibank NA –	541,100
State Street Australia Limited –	294,200
HSBC Bank plc -	333,700
J P Morgan Chase Bank –	906,800

5. Class of security

Ordinary shares of 2.5 pence each

6. Date of transaction

Not disclosed. Figures given as at 15 August 2006

7. Total holding following this notification

157,354,563

- 8. Total percentage holding of issued class following this notification
- 4.867%
- 9. Any additional information

Notification received under s198 CA85

10. Name of contact and telephone number for queries

Ann-Louise Holding (01252) 373232

11. Name and signature of authorised company official responsible for making this notification

Ann-Louise Holding, Assistant Company Secretary

- 12. Date of notification
- 17 August 2006